ASSEMBLY BILL NO. 94–ASSEMBLYWOMAN NEAL

Prefiled February 1, 2017

Referred to Committee on Taxation

SUMMARY—Repeals the prospective expiration of the NV Grow Program. (BDR S-217)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: Contains Appropriation not included in Executive Budget.

EXPLANATION - Matter in bolded italics is new; matter between brackets fomitted material; is material to be omitted.

AN ACT relating to economic development; repealing the prospective expiration of the NV Grow Program that provides certain assistance to existing small businesses; recognizing the Small Business Development Center in Clark County and requiring the Centers in Clark and Washoe Counties to cooperatively expand the NV Grow Program; making appropriations to support the NV Grow Program; and providing other matters properly relating thereto

Legislative Counsel's Digest:

Existing law directs the Office of Economic Development within the Office of the Governor to create the NV Grow Program as a pilot program to provide certain informational and technical assistance to existing small businesses in this State that are expanding or ready to expand. (Section 2 of chapter 459, Statutes of Nevada 2015, p. 2681) Existing law provided a \$150,000 appropriation for the 2015–2017 biennium to the Nevada System of Higher Education for the College of Southern Nevada to hire a geographic information technology specialist, purchase related software and provide other services related to the NV Grow Program. (Section 5 of chapter 459, Statutes of Nevada 2015, p. 2683) Existing law also provides that the NV Grow Program expires by limitation on June 30, 2017. (Section 8 of chapter 459, Statutes of Nevada 2015, p. 2683)

Sections 1-7 of this bill make the NV Grow Program ongoing by repealing the prospective expiration of the provisions that created the NV Grow Program and make conforming changes to remove the designation of the program as a pilot program. **Section 1.5** of this bill designates the NV Grow Act as the short title for the act that establishes the NV Grow Program.

Section 3 of this bill recognizes the Small Business Development Center in Clark County as a participant in the program and requires cooperation with the



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geographic information system specialist. Section 3 also requires the Small Business Development Centers in Clark and Washoe Counties to select the lead counselor and manage the NV Grow Program jointly, including: (1) appointing the College of Southern Nevada as administrator of the geographic information system; (2) identifying businesses and business sectors in this State that are ready to expand; (3) determining those businesses and business sectors that will participate in the program; (4) identifying skilled labor in this State and its potential for growth; (5) targeting business sectors and occupations in the State that have demonstrated the ability to grow and stimulate the economy; (6) focusing on utilization of existing resources; (7) harnessing the academic expertise of the College of Southern Nevada; (8) using the geographic information systems to map areas in which retail sales and other commerce are flourishing or have capacity for further growth; and (9) facilitating informational and other assistance of the College of Southern Nevada to businesses and business sectors, including business training, monitoring marketing techniques and business mentoring. Additionally, section 3: (1) adds business mentorship within the program as part of the resources and expertise the Centers provide to businesses in this State; (2) expands the goal of the NV Grow Program from serving 10 businesses to serving 15 businesses in this State every year; and (3) reduces the minimum revenue threshold for participation in the NV Grow Program to businesses that generate at least \$50,000 per year.

Section 8 of this bill increases the appropriations to provide grants for program support for business courses and allow the College of Southern Nevada to hire a lead counselor. **Section 8** also requires the money appropriated by this bill to be used for direct program expenditures.

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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** Chapter 459, Statutes of Nevada 2015, is hereby amended by adding thereto a new section to be designated as section 1.5, immediately following section 1, to read as follows:
 - Sec. 1.5. This act may be cited as the NV Grow Act.
- **Sec. 2.** Section 1 of chapter 459, Statutes of Nevada 2015, at page 2681, is hereby amended to read as follows:
 - Section 1. The Legislature hereby finds and declares that:
 - 1. It is vital to the overall health and growth of the economy of the State of Nevada to promote favorable conditions which allow the expansion of Nevada businesses that demonstrate the ability to grow;
 - 2. As a result of the extraordinary economic challenges which have been, and are, confronting the State, the public has an interest in expanding the resources of this State to stimulate investment in Nevada's economy;
 - 3. It is the intent of the Legislature that resources be provided for the operation of the **[pilot]** program described in section 2 of this act; and
 - 4. The purpose of the **[pilot]** program described in section 2 of this act is to stimulate investment in Nevada's





economy by providing technical assistance for businesses in this State that are expanding or ready to expand.

- **Sec. 3.** Section 2 of chapter 459, Statutes of Nevada 2015, at page 2681, is hereby amended to read as follows:
 - Sec. 2. 1. The Office, in consultation with the stakeholders group, shall develop, create and oversee the NV Grow Program [as a pilot program] to stimulate Nevada's economy with a view toward providing assistance to businesses that are already located and operating in this State rather than recruiting businesses from other states to relocate in Nevada
 - 2. Under the auspices of the [pilot] program:
 - (a) Institutions of the Nevada System of Higher Education located in Clark County and the Nevada Small Business Development Center in Clark County shall, in cooperation with the geographic information system specialist employed at the College of Southern Nevada, mentor and track businesses participating in the [pilot] program in Clark County. The Clark County Department of Business License will coordinate with the College to provide such data as may be necessary for the operation of the [pilot] program in Clark County.
 - (b) The Nevada Small Business Development [Center] Centers located in Clark County and Washoe County shall each cooperate with the geographic information system specialist employed to assist businesses in Clark County that are participating in the [pilot] program with marketing and other efforts.
 - 3. The [pilot program] Centers, jointly, shall select the lead counselor and manage the NV Grow Program, which must include, without limitation:
 - (a) The employment of a geographic information specialist at the College of Southern Nevada who provides data to clients of the stakeholders group;
 - (b) The appointment of the Nevada Small Business Development Center in Washoe County College of Southern Nevada as administrator of the geographic information system;
 - (c) An analysis and identification by the Centers of businesses and business sectors in this State that are ready to expand [;] and a determination of which of these businesses and business sectors will participate in the program;
 - (d) [The identification] Identification by the Centers of the skilled labor that exists in this State and its potential for growth;





- (e) [The targeting] Targeting by the Centers of business sectors and occupations in this State that have demonstrated the ability to grow and stimulate the economy of the State;
- (f) A focus by the Centers on the utilization of existing resources;
- (g) The harnessing of the academic expertise of the *College of Southern Nevada and the* Centers to provide economic and market data to contribute to the diversification and growth of the economy of this State;
- (h) The use of geographic information systems by the College of Southern Nevada and the Centers to map areas of this State to determine locations in which retail sales and other commerce are flourishing and locations in which retail sales and commerce demonstrate the capacity for further growth;
- (i) The selection of businesses and business sectors in this State to participate in the pilot program;
- (i) The elements described in subsection 2;
- (k) (j) The provision of informational and other assistance by the College of Southern Nevada to businesses and business sectors in this State [;], including, without limitation, business training, nontraditional marketing techniques and business mentoring; and
- (h) Such other components as the Office, in consultation with the stakeholders group, determines are likely to be necessary, advisable or advantageous for the growth and development of businesses located in this State.
- 4. The **[pilot]** program shall, insofar as is possible, use the resources and expertise of the Centers and make available those resources and that expertise to businesses in this State for the purposes of:
- (a) Developing business connections ; and business mentorships within the program;
- (b) Exchanging data and other information with and between businesses and trade associations;
- (c) Creating and facilitating peer-to-peer mentoring sessions [;] for participants in the NV Grow Program; and
- (d) Providing to businesses and business sectors data and other information that is calculated or otherwise generated through the use of geographic information systems.
- 5. To the extent possible, the **[pilot]** program must be conducted with the goal of selecting **[10]** 15 businesses in Clark County to participate in the **[pilot]** program **[.]** every year.





- 6. To qualify to participate in the **[pilot]** program, a business must:
- (a) Have its principal place of business within the State of Nevada and have had its principal place of business in this State for at least 2 years;
- (b) Generate at least [\$100,000] \$50,000 but not more than \$700,000 in revenue; and
 - (c) Have a business plan.

- 7. As used in this section:
- (a) "Business plan" means a written statement of a set of business goals, the reasons those goals are believed to be attainable and the plan for reaching those goals.
- (b) "Centers" means all institutions of the Nevada System of Higher Education, including, without limitation, the College of Southern Nevada and the University of Nevada, Reno.
- (c) "Geographic information system" means a computerized database management system for the capture, storage, retrieval, analysis and display of spatial or locationally defined data.
- (d) "Office" means the Office of Economic Development within the Office of the Governor.
- (e) "Stakeholders group" means a group of persons interested in economic development in this State selected by the Office, including, without limitation, a representative of the College of Southern Nevada, the University of Nevada, Las Vegas, the Urban Chamber of Commerce of Las Vegas, the Las Vegas Latin Chamber of Commerce, the Valley Center Opportunity Zone, the University of Nevada Cooperative Extension in Clark County, Clark County and incorporated cities in Clark County.
- **Sec. 4.** Section 3 of chapter 459, Statutes of Nevada 2015, at page 2683, is hereby amended to read as follows:
 - Sec. 3. In assisting and carrying out the **[pilot]** program described in section 2 of this act, the Centers, as defined in section 2 of this act, shall, without limitation, perform the following services:
 - 1. Analyze data;
 - 2. Ensure that businesses participating in the **[pilot]** program understand the manner in which the data so analyzed will be applied to those businesses so that the businesses may make better business decisions and understand the current business market in which they exist;





- 3. Mentor the businesses as to the optimum use of data received under the **[pilot]** program relative to the making of business decisions; and
- 4. With respect to the businesses participating in the **[pilot]** program:
- (a) Track the business decisions and growth of each business over the entire period of the **priot** program; and
- (b) Report the data tracked pursuant to paragraph (a), at least once each 6 months, to the Office of Economic Development within the Office of the Governor.
- **Sec. 5.** Section 4.5 of chapter 459, Statutes of Nevada 2015, at page 2683, is hereby amended to read as follows:
 - Sec. 4.5. The Office of Economic Development within the Office of the Governor may apply for any available grants, accept any gifts, grants or donations and use any such gifts, grants or donations to aid the Office in carrying out the **[pilot]** program described in section 2 of this act.
- **Sec. 6.** Section 7 of chapter 459, Statutes of Nevada 2015, at page 2683, is hereby amended to read as follows:
 - Sec. 7. The **[pilot]** program described in section 2 of this act must begin operating not later than January 1, 2016.
- **Sec. 7.** Section 8 of chapter 459, Statutes of Nevada 2015, at page 2683, is hereby amended to read as follows:
 - Sec. 8. [1.] This act becomes effective upon passage and approval for the purpose of performing any preparatory administrative tasks necessary to carry out the provisions of this act, and on July 1, 2015, for all other purposes.
 - 12. This act expires by limitation on June 30, 2017.
- **Sec. 8.** 1. There is hereby appropriated from the State General Fund to the Nevada System of Higher Education:
 - (a) The sum of \$225,000 to allow the Nevada Small Business Development Centers to provide such services as may be necessary to assist and carry out the NV Grow Program established pursuant to the NV Grow Act and to provide grants of \$25,000 each to the Urban Chamber of Commerce and the Las Vegas Latin Chamber of Commerce for program support for business courses.
 - (b) The sum of \$125,000 to allow the College of Southern Nevada to hire a geographic information specialist to assist small businesses who participate in the NV Grow Program established pursuant to the NV Grow Act. Any portion of the money not used to hire the geographic information specialist may be used by the College to hire a lead counselor. Any money not used for these purposes must be used for direct program expenditures by the College, such as, without limitation, marketing tools, stipends and field trips.





- 2. All money appropriated by the provisions of this section must be distributed to the entities specified in paragraphs (a) and (b) of subsection 1 and must be used only for the purposes specified in those paragraphs and no portion of the money may be set aside, distributed or otherwise committed or used for any other purpose, including University indirect costs.
- **Sec. 9.** Any remaining balance of the appropriation made by section 8 of this act must not be committed for expenditure after June 30, 2019, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 20, 2019, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 20, 2019.
- **Sec. 10.** 1. This section and sections 1 to 7, inclusive, of this act become effective upon passage and approval.
- 19 2. Sections 8 and 9 of this act become effective on July 1, 20 2017.





